

[ERC RESOLUTION NO. 18, S. 2009, August 10, 2009]

A RESOLUTION CLARIFYING RESOLUTION NO. 01, SERIES OF 2009, ENTITLED "A RESOLUTION ADOPTING THE AMENDMENTS TO THE GUIDELINES TO THE SALE AND TRANSFER OF TRANSCO'S SUBTRANSMISSION ASSETS AND THE FRANCHISING OF QUALIFIED CONSORTIUMS"

WHEREAS, on October 17, 2003, the Energy Regulatory Commission (ERC) issued the *"Guidelines to the Sale and Transfer of the TRANSCO's Subtransmission Assets and the Franchising of Qualified Consortiums"*

WHEREAS, on March 17, 2005, the ERC amended the said Guidelines in Resolution No. 03, Series of 2005, entitled *"In the Matter of Amending the Guidelines for the Sale and Transfer of the TRANSCO's Subtransmission Assets and the Franchising of Qualified Consortiums"*;

WHEREAS, on January 26, 2009, the ERC further amended the said *Guidelines in Resolution No. 01, Series of 2009*, entitled *"A Resolution Adopting the Amendments to the Guidelines to the Sale and Transfer of TRANSCO's Subtransmission Assets and the Franchising of Qualified Consortiums"*.

WHEREAS, on March 6, 2009 TRANSCO sought clarification regarding several provisions of the said amended Guidelines, particularly Article V, Sections 2, 5 and 6 thereof;

NOW THEREFORE, the ERC, after thorough and due deliberation, RESOLVED, as it hereby RESOLVES to Clarify Resolution No. 1, Series of 2009, as follows;

1. Section 5, Article V which reads;

"TRANSCO Rates – TRANSCO will continue to bill or collect any uncollected connection and residual charges resulting from the one (1) year deferred charges as approved by the ERC. The acquiring DU shall have the following payment options;

*1. To pay any uncollected subtransmission charges upon transfer of possession of the subtransmission asset. The amount shall be based on **previous year's consumption.**"*

The phrase **"previous year's consumption"** refers to customers' **"previous year's charges"**, i.e. **"previous year's Connection and Residual Sub-transmission Charges (CC/RSTC)"**. Said charges are fixed amounts payable monthly by the connected customers;

2. Section 5, Article V which reads: